



**The Republican Study Committee's budget is based upon the following common-sense principles:**

-  The budget should balance in ten years or less without raising any taxes.
  - ✓ Our proposal balances in four years, bringing spending down to an average of 18.1 percent of GDP while limiting average revenue to 18.1 percent of GDP, close to the historical average.
-  The budget should repeal and replace President Obama's job-killing healthcare law.
  - ✓ Our proposal repeals the entirety of Obamacare (including all Obamacare tax provisions), and outlines an alternative vision with the American Health Reform Act to put patients in charge of their health care choices, lower costs, and increase access to care.
-  The budget should strengthen Medicare, Medicaid, Social Security, and Disability Insurance to ensure their long-term sustainability.
  - ✓ Our proposal makes common-sense reforms to strengthen Medicare and Medicaid by offering increased choices and improved services, and protects Social Security and the Disability Insurance program by strengthening their trust funds.
-  The budget should reduce deficit spending and other government impediments to job creation.
  - ✓ Our proposal reduces agency spending below FY 2008 levels, and calls for enactment of the RSC's Jumpstarting Opportunities with Bold Solutions (JOBS) Act.
-  The budget should terminate federal programs that are unconstitutional, duplicative, or harmful.
  - ✓ Our proposal reduces spending to terminate unconstitutional and duplicative programs and forces the federal government to prioritize, something American families across the country have been required to do in these tough economic times.
-  The budget should make our tax code simpler, fairer, and promote growth.
  - ✓ Our proposal includes pro-growth tax reform that is revenue neutral on a dynamic basis, vastly simplifies the tax code, and ensures America remains competitive.
-  The budget should preserve and expand successful welfare reforms.
  - ✓ Our proposal promotes self-sufficiency by including work requirements for welfare programs, including the Temporary Assistance for Needy Families (TANF) program and the Supplemental Nutrition Assistance Program (SNAP).
-  The budget should implement reforms to Washington's broken budget process.
  - ✓ Our proposal prohibits earmarks and forces tough choices to give hard-working taxpayers the accountability and transparency they deserve from their federal government.

**Specifically, this proposal sets the following common-sense policies:**

**REDUCE SPENDING.**

- Freeze discretionary spending at \$950 billion, the pre-2008 spending levels, starting in FY2015 until the federal budget is balanced.

**REESTABLISH OUR NATIONAL DEFENSE**

- Secure our Nation’s defense by growing our military funding from \$521 billion in FY2015 to \$696 billion in FY2024, the same level as the House Republican budget.

**REPEAL and REPLACE OBAMACARE.**

- Repeal Obamacare to eliminate \$2.1 trillion in additional spending over ten years.
- Implement real patient-centered healthcare reform that would lower costs and improve access with the RSC’s American Health Care Reform Act.

**SAVE MEDICARE FROM BANKRUPTCY.**

- The RSC believes we should save Medicare from bankruptcy by transitioning to a solvent premium-support system, as passed in previous House Republican Budgets. This preserves traditional Medicare for current seniors and future seniors in 2019 and beyond will enjoy the reduced costs, increased choice, and quality care provided by this reform.
- In order to shore up Medicare’s solvency and to keep pace with increases in longevity, the RSC proposal embraces Ronald Reagan’s Social Security reform by slowly phasing in an increase in the Medicare eligibility age at a rate of two months per year, beginning in 2024, until it reaches 67.

**REFORM MEDICAID.**

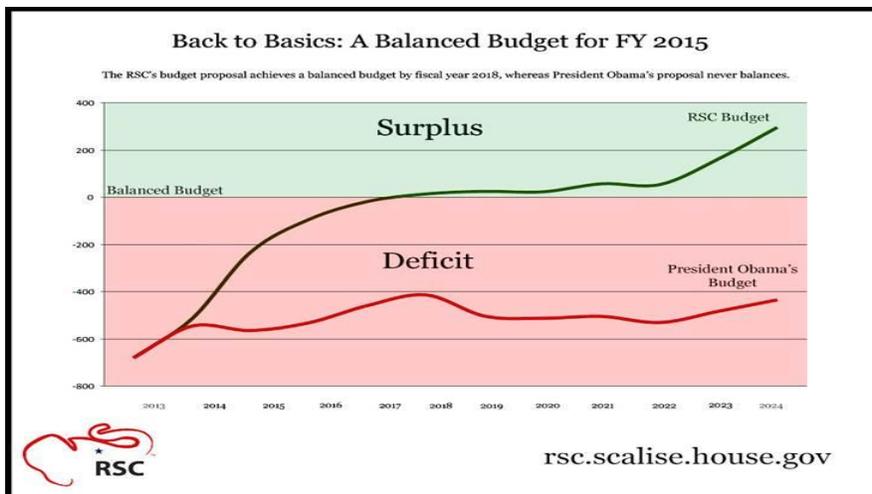
- This budget empowers the states with flexibility to determine the Medicaid eligibility and benefits, encouraging innovation that will improve the quality of care and access to vital services for the neediest and most vulnerable Americans.

**SAFEGUARD SOCIAL SECURITY and DISABILITY INSURANCE.**

- This budget would slowly phase in an increase in the Social Security full-retirement age. The full retirement age would continue the current-law’s gradual increase of two months per year beginning in 2022 until the full retirement age reaches 70.
- To further strengthen Social Security’s long-term finances, this budget would change the formula for cost of living adjustments (COLA) by adopting a more accurate measure of inflation (chained CPI-U) that takes into account real-world choices consumers make.
- Recognizing that Disability Insurance is projected to go bankrupt in 2016, this budget adopts bold reforms proven to pull people out of poverty, including the promotion of work, updating eligibility rules, fighting fraud and abuse, and ending double dipping in both unemployment and disability insurance that robs billions from hard-working taxpayers.

**ENACT PRO-GROWTH TAX REFORM.**

- This budget proposes a smarter tax code that is revenue neutral on a dynamic basis, promotes economic growth, and is simpler, flatter, and fairer.



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